

FISCAL NOTE

HB 1854 - SB 1859

March 26, 2001

SUMMARY OF BILL:

- Creates an economic development district for the middle grand division of the state, to be known as the Middle Tennessee Highland Economic Community.
- The district shall be funded annually by the state from monies received from the Tobacco Master Settlement Agreement.
- Requires the funding to be equal to the average funding received by similar economic development districts created pursuant to federal law.
- For administrative purposes, the economic development district shall be attached to the Department of Economic and Community Development.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$3,500,000

Other Fiscal Impact - Earmarks an estimated \$3,500,000 in funds received by the state from the Tobacco Master Settlement Agreement for use in establishing the Middle Tennessee Highland Economic Community Development District

Estimate assumes a total increase in state expenditures of \$3,500,000 based upon the average of the two development districts listed above $[(\$5,000,000 + \$2,000,000)/2 = \$3,500,000]$.

For information purposes, based on information provided by the Department of Economic and Community Development:

- *The Appalachian Regional Commission has a budget of \$5,000,000.*
- *Anticipated funding for the Memphis Delta Commission will be set at approximately \$2,000,000 based upon its proposed appropriation from federal government funding.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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